

and must then decide whether to endeavor to keep the Council in session or come to the Council again later regarding the general security of the area.

Mr. Byroade said we have been attempting to do for the area what we believe is right. We are not against peace and he doubted whether the Arabs would be able to read anything to the contrary in our actions. He hoped the Israel Government would act in a way that it believes best for the area in the long run rather than for some temporary gain. We have already done a great deal with the Arab states and we plan to talk very seriously with the Jordan Government. He believed that General Bennike's report, 90 days hence, could show considerable improvement in the situation.

In reply to Ambassador Eban's direct question as to the U.S. attitude regarding direct Israel-Jordan negotiations, Mr. Byroade replied that we are for talks in the area when we think there is some chance of success. We think that an approach through General Bennike or through the Mixed Armistice Commission at present offers the best chance of success.

No. 735

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*Memorandum by the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Byroade) to the Secretary of State*¹

SECRET

WASHINGTON, November 20, 1953.

Subject: Financial Aid to Israel

Discussion:

Israeli officials here are pressing Mr. Stassen to make available to Israel \$20 million in cash from the allotment of \$26 million recently decided upon for the first half of the current fiscal year. We have received two important telegrams from Tel Aviv on this subject, No. 592 of November 15,² and No. 598 of November 17³ (Tabs B and C). The message of November 18 contains a firm recommendation from the Embassy against a release of cash, which it regards as unnecessary, and a significant statement that an Israeli official has implied that the cash release was being pressed in Washington in order not to let the opportunity to challenge Section 105 of the

¹ Sent through the Executive Secretariat.

² Document 729.

³ Document 731.